

October 12, 2000

Judy Wilson, Chairwoman

<u>Washington State Building Code Council</u>

PO Box 48300

Olympia, WA 98504-8300

Re: Residential Energy Code Amendment #16 and #19 for Tables 5-1, 6-2, 6-4, and 6-6

Dear Chairwoman Wilson:

I would like to submit these written comments, on behalf of the Washington State Department of Community, Trade, and Economic Development (CTED). The agency's responsibilities that range from economic development, to addressing energy services for low-income, to ensuring an economically and environmentally sound energy future are indicators of the agency's breadth of commitment to multiple priorities. These commitments to serving Washington's future drive our comments here urging you to support our proposal to improve the energy code. This code is one of the state's strategies for ensuring an affordable energy future for Washington's businesses and households.

CTED has submitted a specific amendment on raising the minimum window energy efficiency for homes heated by "other" fuels. This amendment raises the minimum standard for these windows to a class 50. It displaces references to class 60, class 65, and class 70 windows. The class 50 window is both more energy efficient and lower cost than referenced windows that it will displace, if this amendment is passed. These class 50 windows also represent the floor on current practice. A lower cost, less efficient window cannot be readily found for sale in Washington.

I have given oral testimony that goes into depth on the economic drivers behind our support for this code amendment. CTED wants to supplement that testimony here by supplying you with some cost and savings data that is relevant to our amendment, and was requested by one of your Council members.

First, we reiterate that this amendment would result in energy savings for 18% of the annual single family housing starts in Washington State. (See the statistically valid study, Baseline Characteristics of the Residential Sector in Idaho, Montana, Oregon and Washington written in the winter-spring of 2000.) The potential for energy savings is primarily a King County issue as 90% of these homes are located in King County. This data indicates that one-third of the single-family housing starts in King County are not benefiting from the vast improvements in energy efficiency that the window industry has made in the last decade.

Second, we want to address Council member Shafer's question from the Spokane hearing in September, "Have you estimated the additional cost to the shell that will be reflected because of this increase?" For 82% of the single-family housing starts in Washington State, there will be no incremental cost associated with this code amendment. These households are already benefiting from the financial savings and comfort of low-priced energy efficient windows. That leaves 18% of the state's single family housing starts, or one-third of the housing starts in King County that will pay an incremental cost due to this amendment.

Data from two published reports estimates that the incremental cost, for 18% of new single-family construction in Washington ranges from \$360 to \$590 for an average, single family home of 2200 square feet. The variation reflects two alternatives that a builder may select to meet the new code including 2x6 construction with class 50 windows or 2x4 construction with more energy efficient, class 35 windows. The energy savings of 95 therms for this average, King County home is worth \$69 each year to the home owner. The simple payback to homeowners on this upgrade ranges from 5 years to 8.5 years. This is a sound investment for Washington's households. The only reasonable approach to capture this investment, and these savings, is during the construction process.

We urge you to adopt this window energy code amendment. At a time when wholesale electricity prices are spiking to ten times their normal price, and natural gas commodity prices have doubled, it is imperative that we capture energy savings both for individual households and businesses as well as for the reliability of our energy supply and distribution system. Once homes are built to cheaper standards it is too late. We lose the opportunity to garner these energy and economic savings. We would be pleased to work with Council staff further on any issues if the need exists.

Sincerely,

Elizabeth Chapman Klumpp Sr. Energy Policy Specialist